

## FINANCIAL MANAGEMENT SERVICES

### BOARD OF ASSESSORS

At the annual election held in April of 2005, Mary Winstanley O'Connor, Esquire, was re-elected for a three-year term to the Board of Assessors. At the organizational meeting of the Board of Assessors, Kevin P. Feeley, Esquire, was elected Chairman and James F. Doherty, MAA, was elected Vice Chairman.

In 2005, the Board of Assessors successfully completed the annual update of assessed values, meeting the requirements of the Department of Revenue.

The Board of Assessors committed 14,7435 real estate and personal property tax bills to the Tax Collector for collection for Fiscal Year 2006. These bills raised a total of \$73,525,801 in property and personal property taxes. The total assessed value of all taxable real estate and personal property for Fiscal Year 2006 was \$6,483,756,733, which resulted in a tax rate of \$11.34 per thousand dollars of assessed value. The board also committed over 40,000 automobile excise tax bills for collection of an estimated income of \$4,000,000.

The Board would like to extend its condolences and sympathy to the family of long time assessor Maurice "Bud" O'Connell, who passed away this year. Bud, affectionately known as the "Compassionate Assessor" served the town for over 20 years. The Board, as well as the citizens of Arlington, will miss Bud's wisdom, compassion, dedication, and guidance.

The Board would like to thank all taxpayers for their cooperation and the Assessing Office staff for their continued support and for a job well done in 2005.

### ***Tax Abatement Overlay***

State law requires that the Assessors put aside funds from each tax levy in a reserve that is called an Overlay. This account is established in anticipation that a certain percentage of the tax levy may end up being abated. Individual tax abatements are paid out of this fund. The final amount of the overlay account is determined by the Assessors and added to the tax rate without appropriation, and is usually set at anywhere from 1% to 2.5% of the tax levy. In revaluation years, which occur every three years, the overlay account is usually set at a higher amount in anticipation of an increased number of abatements. FY2007 is a revaluation year so the overlay account is set at \$900,000. In other years, the overlay is set closer to \$600,000. In FY2006, the overlay is set at approximately \$900,000 in anticipation of increased abatement activity due to sharply increasing values and the large tax increase due to the override. Any surplus left in an overlay account is appropriated by Town Meeting in much the same manner as free cash. Below is a chart showing the disposition of Overlay funds for the last three years. Prior to FY2003, the reserve balance from all prior fiscal years is \$151,713. From these reserve balances an additional \$400,000 is proposed to be declared surplus and be used in FY2007.

<b>Tax Abatement Overlay Funds</b>			
	<b>FY2003</b>	<b>FY2004</b>	<b>FY2005</b>
Overlay Amount	\$644,504	\$937,031	\$591,196
Date	\$357,502	\$382,891	\$285,897
Declared Surplus To General Fund	\$200,000	\$350,000	-0-
Reserved For Additional Liability	\$87,002	\$204,140	\$305,299

## FINANCIAL MANAGEMENT SERVICES

### ASSESSMENT DATA

#### VALUATION AND TAX LEVY

Fiscal Year	Total Assessed Valuation	Tax Levy	Tax Rate*
2006	\$6,483,756,733	\$73,578,994	\$11.34
2005	\$6,007,309,836	\$65,719,969	\$10.94
2004	\$5,990,614,666	\$63,740,140	\$10.64
2003	\$4,500,135,559	\$61,246,845	\$13.61
2002	\$4,266,984,229	\$59,097,731	\$13.85
2001	\$4,239,775,439	\$55,838,267	\$13.17
2000	\$3,063,254,230	\$54,097,069	\$17.66
1999	\$3,504,316,820	\$52,443,515	\$17.17
1998	\$2,955,114,603	\$49,439,067	\$16.73
1997	\$2,815,373,412	\$48,086,577	\$17.08
1996	\$2,816,605,462	\$46,586,654	\$16.54

\* Tax rate expressed in per thousand dollars of assessed value

#### PERCENT OF TAX LEVY BY CLASS

CLASS	TYPE	FISCAL YEAR			
		2006	2005	2004	2003
I	RESIDENTIAL	94.428	94.067	93.9454	93.004
II	OPEN SPACE	.000	.000	.000	.002
III	COMMERCIAL	4.156	4.496	4.5246	5.319
IV	INDUSTRIAL	.312	.313	.3137	.376
V	PERSONAL PROPERTY	1.104	1.244	1.2167	1.299
TOTAL		100.00	100.00	100.00	100.00

#### AVERAGE TAXES BY CLASS FY 2005 - FY2006

##### Fiscal Year 2005

		FY2005	Rate \$10.94	
Property Type	Parcel Count	Total Assessed Value	Average Assessed Value	Average Real Estate Taxes
Sin Fam (101)	7,947	\$3,299,335,500	\$415,167	\$4,541.93
Condos (102)	2,299	\$561,738,700	\$244,340	\$2,673.08
2 Fam (104)	2,697	\$1,356,607,200	\$503,006	\$5,502.89
3 Fam (105)	235	\$129,823,300	\$552,440	\$6,043.69

##### Fiscal Year 2006

		FY2006	Rate \$11.34	
Property Type	Parcel Count	Total Assessed Value	Average Assessed Value	Average Real Estate Taxes
Sin Fam (101)	7,949	\$3,533,447,900	\$444,515	\$5,040.80
Condos (102)	2,445	\$647,977,100	\$265,021	\$3,005.34
2 Fam (104)	2,655	\$1,481,653,200	\$558,061	\$6,328.42
3 Fam (105)	230	\$140,602,300	\$611,314	\$6,932.30

## FINANCIAL MANAGEMENT SERVICES

### ASSESSMENT DATA (Continued)

#### AVERAGE TAX INCREASE & AMOUNT DUE TO OVERRIDE

	2005	2006		
Property Type	Average Real Estate Taxes	Average Real Estate Taxes	Average Increase	From Override
Sin Fam (101)	\$4,541.93	\$5,040.80	<b>\$498.87</b>	<b>\$413.40</b>
Condos (102)	\$2,673.08	\$3,005.34	<b>\$332.26</b>	<b>\$246.47</b>
2 Fam (104)	\$5,502.89	\$6,328.42	<b>\$825.53</b>	<b>\$519.00</b>
3 Fam (105)	\$6,043.69	\$6,932.30	<b>\$888.62</b>	<b>\$568.52</b>

#### COMPONENTS OF FY 2006 AVERAGE REAL ESTATE TAXES

	2006 Ave Real Estate Taxes	Base \$ 9.03	2/12 % \$ 0.23	Growth \$ 0.13	Override \$ 0.93	W&S \$ 0.84	Sch Debt \$ 0.18
Property Type							
Sin Fam (101)	\$5,040.80	\$4,014	\$102	\$58	<b>\$413</b>	<b>\$373</b>	<b>\$80</b>
Condos (102)	\$3,005.34	\$2,393	\$61	\$34	<b>\$246</b>	<b>\$223</b>	<b>\$48</b>
2 Fam (104)	\$6,328.42	\$5,039	\$128	\$73	<b>\$519</b>	<b>\$469</b>	<b>\$100</b>
3 Fam (105)	\$6,932.30	\$5,520	\$141	\$79	<b>\$569</b>	<b>\$514</b>	<b>\$110</b>

#### TAX RATE COMPARISON FY 2005 VS. FY 2006

	2005	2006
LEVY BASE	\$9.44	\$9.03
2 1/2%	\$0.24	\$0.23
GROWTH	\$0.08	\$0.13
OVERRIDE		\$0.93
WAT & SEW DEBT EXCL	\$0.85	\$0.84
SCHOOL DEBT EXCLU	\$0.34	\$0.18
<b>TAX RATE</b>	<b>\$10.94</b>	<b>\$11.34</b>

# FINANCIAL MANAGEMENT SERVICES

## ASSESSMENT DATA (Continued)

TAX RATE COMPONENTS FY 2001 - FY2006						
	2001	2002	2003	2004	2005	2006
LEVY BASE	\$11.67	\$11.96	\$11.74	\$9.13	\$9.44	\$9.03
2 1/2%	\$0.29	\$0.30	\$0.29	\$0.23	\$0.24	\$0.23
GROWTH	\$0.08	\$0.12	\$0.12	\$0.11	\$0.08	\$0.13
OVERRIDE						\$0.93
WAT & SEW DEBT EXCL	\$0.87	\$1.00	\$1.00	\$0.84	\$0.85	\$0.84
SCHOOL DEBT EXCLU	\$0.27	\$0.47	\$0.46	\$0.33	\$0.34	\$0.18
TAX RATE *	\$13.17	\$13.85	\$13.61	\$10.64	\$10.94	\$11.34
*Tax Rate =((Amount To Be Raised)/(Total Taxable Assessed Value))*1000						
	2001	2002	2003	2004	2005	2006
MAX LEVY PRIOR FY	\$49,467,566	\$51,042,116	\$52,838,686	\$54,703,728	\$56,720,544	\$58,597,089
2.50%	\$1,236,689	\$1,276,053	\$1,320,967	\$1,367,593	\$1,418,014	\$1,464,927
GROWTH	\$337,860	\$520,517	\$544,075	\$649,223	\$458,531	\$844,013
OVERRIDE						\$6,000,000
MAXIMUM LEVY	\$51,042,115	\$52,838,686	\$54,703,728	\$56,720,544	\$58,597,089	\$66,906,029
LEVY INC %	3.18%	3.52%	3.53%	3.69%	3.31%	14.18%
LEVY INC \$	\$1,574,549	\$1,796,571	\$1,865,042	\$2,016,816	\$5,758,403	\$8,308,941
W/S DEBT	\$3,677,690	\$4,255,691	\$4,516,649	\$5,033,997	\$5,103,729	\$5,475,486
DEBT EX	\$1,146,216	\$2,007,525	\$2,052,096	\$2,000,153	\$2,056,781	\$1,197,479
MAX TO BE RAISED	\$55,866,021	\$59,101,902	\$61,272,473	\$63,754,694	\$65,757,599	\$73,578,994
ACTUAL RAISED	\$55,838,267	\$59,097,731	\$61,246,844	\$63,740,140	\$65,719,969	\$73,525,801
EXCESS LEVY	\$27,754	\$4,171	\$25,629	\$14,554	\$37,630	\$53,193
TOTAL TAXABLE ASSESSED VALUE	\$4,239,775,439	\$4,266,984,229	\$4,500,135,559	\$5,990,614,666	\$6,007,309,836	\$6,483,756,733
TOTAL AVE % INCREASE	38.41%	0.64%	5.46%	33.12%	0.28%	7.93%
TAX RATE	\$13.17	\$13.85	\$13.61	\$10.64	\$10.94	\$11.34
PENNY ON TAX RATE	\$42,398	\$42,670	\$45,001	\$59,906	\$60,073	\$64,838
* ALL NUMBERS SUBJECT TO ROUNDING AND FINAL DOR CERTIFICATION						

# FINANCIAL MANAGEMENT SERVICES

## ASSESSMENT DATA (Continued)

### STATE CLASS CODES FISCAL YEAR 2005 VS. FY 2006

PROP TYPE	FISCAL YEAR 2005 TAX RATE \$10.94					FISCAL YEAR 2006 TAX RATE \$11.34				
	PARCEL COUNT	TOTAL ASSD VALUE	ASSESSED VALUE	AVE TAX	% OF LEVY	PARCEL COUNT	TOTAL ASSD VALUE	ASSESSED VALUE	AVE TAX	% OF LEVY
101	7,947	\$3,299,335,500	\$415,167	\$4,542	54.92%	7,949	\$3,533,447,900	\$444,515	\$5,041	54.50%
102	2,299	\$561,738,700	\$244,340	\$2,673	9.35%	2,445	\$647,977,100	\$265,021	\$3,005	9.99%
Misc 103,109	15	\$9,285,200	\$619,013	\$6,772	0.15%	15	\$9,532,100	\$635,473	\$7,206	0.15%
104	2,697	\$1,356,607,200	\$503,006	\$5,503	22.58%	2,655	\$1,481,653,200	\$558,061	\$6,328	22.85%
105	235	\$129,823,300	\$552,440	\$6,044	2.16%	230	\$140,602,300	\$611,314	\$6,932	2.17%
111-125	151	\$234,371,300	\$1,552,128	\$16,980	3.90%	150	\$249,386,600	\$1,662,577	\$18,854	3.85%
130-132, 106	366	\$24,265,000	\$66,298	\$725	0.40%	356	\$24,275,700	\$68,190	\$773	0.37%
200-231	0					0				
300-393	389	\$243,917,500	\$627,037	\$6,860	4.06%	387	\$243,058,900	\$628,059	\$7,122	3.75%
400-452	18	\$18,791,800	\$1,043,989	\$11,421	0.31%	23	\$20,197,900	\$878,170	\$9,958	0.31%
CH 61 Land	0					0				
CH 61A Land	0					0				
CH 61B Land	2	\$239,566	\$119,783	\$1,310	0.00%	2	\$232,463	\$116,232	\$1,318	0.00%
012-043	84	\$61,381,600	\$730,733	\$7,994	1.02%	83	\$61,807,800	\$744,672	\$8,445	0.95%
501	288	\$2,745,680	\$9,534	\$104	0.05%	265	\$2,571,090	\$9,702	\$110	0.04%
502	182	\$15,655,650	\$86,020	\$941	0.26%	170	\$6,921,940	\$40,717	\$462	0.11%
503	0					0				
504,550-552	2	\$34,725,840	\$17,362,920	\$189,950	0.58%	2	\$36,592,740	\$18,296,370	\$207,481	0.56%
505	8	\$8,895,200	\$1,111,900	\$12,164	0.15%	9	\$19,965,400	\$2,218,378	\$25,156	0.31%
506	2	\$5,530,800	\$2,765,400	\$30,253	0.09%	2	\$5,533,600	\$2,766,800	\$31,376	0.09%
TOTALS	14,685	\$6,007,309,836		\$65,719,970		14,743	\$6,483,756,733		\$73,525,801	

## FINANCIAL MANAGEMENT SERVICES

### BUDGETS

Department	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Executive Services</b>					
Board of Selectmen Administration & Licensing	156,056	163,182	174,652	186,291	186,608
Annual Report	6,000	6,000	6,000	6,000	6,000
Audit	35,000	40,000	45,000	50,000	50,000
Town Manager	304,874	308,314	277,625	339,658	362,709
<b>Sub-Total</b>	501,930	517,496	503,277	581,949	605,317
<b>Central Management Services</b>					
Personnel	136,524	130,998	139,196	151,193	169,983
Legal & Worker's Compensation	707,328	693,368	605,697	723,458	771,295
<b>Sub-Total</b>	843,852	824,366	744,893	874,651	941,278
<b>Financial Management Services</b>					
Finance Committee	10,957	11,257	9,995	10,288	10,443
Treasurer / Collector	575,547	560,637	544,952	577,181	589,640
Parking	76,152	77,645	73,771	77,617	87,097
Postage	155,118	154,733	122,432	125,859	143,595
Comptroller / Data Processing / Telephone	903,145	875,836	768,457	820,912	839,255
Board of Assessors	269,143	267,702	270,956	282,815	288,444
<b>Sub-Total</b>	1,990,062	1,947,810	1,790,563	1,894,672	1,958,474
<b>Human Services</b>					
Human Services Administration	99,835	103,030	110,097	118,363	126,013
Youth Services Enterprise Fund	383,660	381,090	281,286	279,784	291,241
Council on Aging	148,242	139,767	104,604	118,370	130,496
COA Trans. Enterprise Fund	88,838	141,696	94,723	106,034	110,580
Board of Health	159,976	163,991	182,815	182,055	220,859
Veteran's Services	214,580	180,254	157,089	161,796	163,288
Recreation Enterprise Fund	282,895	375,188	367,935	434,842	604,103
Veterans' Memorial Rink	335,317	384,025	398,150	433,008	452,334
<b>Sub-Total</b>	1,713,343	1,869,041	1,696,699	1,834,252	2,098,914
<b>Education and Libraries</b>					
Libraries	1,595,258	1,616,142	1,483,953	1,578,339	1,734,262
Arlington Public Schools	30,828,677	32,000,100	30,645,435	32,337,667	34,280,901
Minuteman Regional High School	1,964,543	2,106,883	2,008,143	2,140,851	2,573,834
<b>Sub-Total</b>	34,388,478	35,723,125	34,137,531	36,056,857	38,588,997

## FINANCIAL MANAGEMENT SERVICES

### BUDGETS

Department	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Public Works and Environmental Quality</b>					
Public Works	6,748,204	6,754,259	5,996,597	6,363,818	6,346,806
Water / Sewer Enterprise Fund	11,990,224	12,491,712	12,854,323	13,762,011	14,643,541
<b>Sub-Total</b>	18,738,428	19,245,971	18,850,920	20,125,829	20,990,347
<b>Community Safety</b>					
Police Services	4,735,297	4,856,628	4,675,146	4,964,635	5,161,334
Community Service Administration	285,403	291,028	299,627	320,869	337,747
Fire Services	4,773,800	4,757,069	4,506,366	4,726,829	4,921,763
Community Safety Support Services	698,877	728,035	611,153	655,961	671,020
Street Lighting	422,500	422,500	422,500	250,000	250,000
<b>Sub-Total</b>	10,915,877	11,055,260	10,514,792	10,918,294	11,341,864
<b>Community Development</b>					
Planning and Community Development	206,262	207,061	194,001	196,789	207,171
Redevelopment Board	338,426	340,727	329,780	394,671	407,851
Zoning Board of Appeals	19,570	19,570	20,632	21,812	22,922
Inspectional Services	271,118	301,852	298,315	318,500	329,713
<b>Sub-Total</b>	835,376	869,210	842,728	931,772	967,657
<b>Town Clerk and Elections</b>					
Town Clerk	183,398	192,594	195,177	207,549	211,728
Registrar of Voters	91,939	91,838	52,387	55,941	58,287
Elections and Town Meeting	51,075	94,861	75,163	112,042	46,970
<b>Sub-Total</b>	326,412	379,293	322,727	375,532	316,985
<b>Fixed Costs</b>					
Insurance	8,937,222	9,866,390	12,460,118	10,457,985	12,259,672
Pensions	5,038,086	5,093,726	5,872,043	5,936,350	6,345,069
Long Term Debt	6,188,078	6,552,441	6,199,555	6,781,130	7,238,346
Capital Budget	645,262	656,853	757,120	626,000	504,410
Reserve Fund	300,000	300,000	400,000	300,000	350,000
<b>Sub-Total</b>	21,108,648	22,469,410	25,688,836	24,101,465	26,697,497
<b>TOTAL</b>	<b>91,362,406</b>	<b>94,900,982</b>	<b>95,092,966</b>	<b>97,695,273</b>	<b>104,507,330</b>

## FINANCIAL MANAGEMENT SERVICES

### Recapitulation of the Fiscal Year 2006 Tax Rate

*\$11.34 / \$1,000 of Assessed Value*

#### DEBITS

Appropriations	\$107,965,107
Court Judgments	\$90,000
Cherry Sheet Offset	\$497,260
Revenue Deficits	\$9,629
State and County Charges	\$2,543,085
Snow and Ice Deficit	\$399,977
Allowance for Abatements & Exemptions	<u>\$902,675</u>

**Total Debits** **\$112,407,733**

#### CREDITS

State Receipts	\$17,123,442
Local Receipts	\$18,886,038
Free Cash	\$1,614,155
Other Available Funds	\$858,297
Overlay Surplus	<u>\$400,000</u>

**Total Credits** **\$38,881,932**

**Amount to be Raised by Taxation** **\$73,525,801**

**Town Property Valuation** **\$6,483,756,733**

Setting the Tax Rate: Divide the **Amount to be Raised by Taxation** by the **Town Property Valuation**, then multiply by 1,000

$$(\$73,525,801 \div \$6,483,756,733) \times 1,000 = \$11.34$$

Source: Tax Rate Recapitulation Sheet

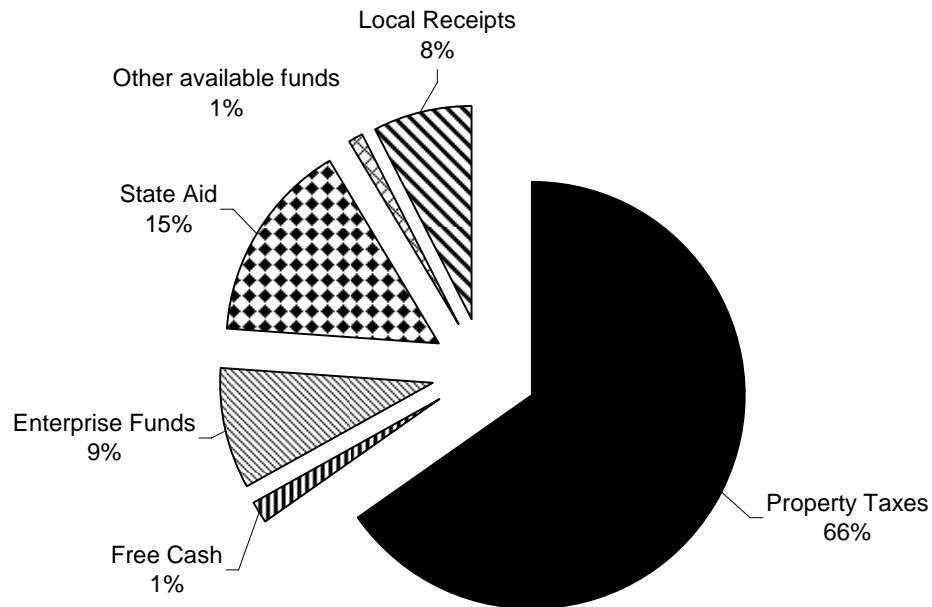


# FINANCIAL MANAGEMENT SERVICES

## Revenues And Expenditures

Fiscal Year 2006

### WHERE IT COMES FROM



### WHERE IT GOES

